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Foreign loan inflows surge 33pc in July-Oct

By Khaleeq Kiani

ISLAMABAD: Foreign loan inflows to Pakistan increased by more than 33 per cent to $2.293 billion in the first four months of 2025-26, mainly on the back of support from the International Monetary Fund (IMF).

This allowed the government to begin the new fiscal year on a positive note, unlike last year's weak start due to the absence of IMF support.

The total inflows, both loans and grants, in July-October amounted to $2.293bn when compared to $1.723bn last year, an increase of 33.24pc. Inflows in October alone amounted to $471m, slightly higher than $414m in the same month last year.

Of the total, foreign loan inflows amounted to $1.822bn this year compared to $1.308bn last year, showing an increase of more than 39pc. Grants, on the other hand, amounted to just $50.56m compared to $87.66m of last year, a fall of 73pc.

The target for total foreign inflows for FY26 has been set at $19.9bn compared to $19.4bn last year.

In July-October of 2023, Pakistan was able to materialise more than $3.85bn mainly because of the signing of the nine-month Stand-By Agreement (SBA) with the IMF. As a result, the country received a major injection of $2bn in time deposits from Saudi Arabia. In fact, total inflows in July 2023 amounted to $5.1bn, which also included a significant inflow of $1.2bn from the IMF and $1bn from the UAE.

The Ministry of Economic Affairs on Wednesday said that it had received $2.293bn in total foreign inflows in 4MFY26 compared to $1.723m of the same month last year. The EAD said that out of $2.293bn inflows, the $773m were received for project financing, while non-project inflows amounted to $1.52bn.

This meant about $735m loans were received in July-October for budget support. This is despite the fact that the annual target for budget support this year was set at $13.5bn compared to $15bn last year.

The authorities were also able to materialise $400m against the Saudi oil facility in four months, at the rate of $100m each month, of the fiscal year against an annual target of $1bn.

Against a full-year target of $5bn from multilaterals (excluding IMF), Pakistan got $1.2bn in four months from multilateral lenders against $720m of the same period last year, when the annual target was $4.5bn.

Total inflows from bilateral lenders (other than three strategic friendly countries) in the two months of the year amounted to $449m against the annual target of $1.36bn, but were 73pc higher than $260m of last year, when the full year target was $523m.

Total inflows from bilateral and multilateral lenders amounted to $1.558bn in four months of this year against the annual target of $6.4bn. Last year, the government had secured $981m from bilateral and multilateral sources against the annual target of $5.05bn.

Inflows from overseas Pakistanis increased to $735m in the first four months of the current year in the shape of Naya Pakistan Certificates, up from $542m last year. The government has estimated a total of $609m through these certificates during the current year.

The full year $19.9bn target for the current fiscal year includes $6.4bn from both multilateral and bilateral lenders, including $5.05bn from multilaterals and $1.36bn from bilateral lenders, $400m in international bonds, $3.1bn foreign commercial loans, $5bn time deposit from Saudi Arabia and $4bn SAFE deposit from China.

Haroon pledges stronger banking support to women entrepreneurs

By Kalbe Ali

ISLAMABAD: The government is seeking supportive banking policies for women entrepreneurs and small and medium enterprises (SMEs), said Haroon Akhtar Khan, the special assistant to the prime minister on industry, on Wednesday.

"Women entrepreneurs and SMEs in Pakistan can compete with China due to our lower overhead costs. However, we need a systematic approach to enhance connectivity," Mr Khan said while speaking at the International Women's Entrepreneurship Day ceremony, organised by the Federation of Pakistan Chambers of Commerce and Industry (FPCCI) and Small and Medium Enterprise Development Authority (Smeda).

The event was attended by senior representatives from 16 of the 28 women's chambers of commerce and industry across the country.

The SAPM stated that the government is focused on economically empowering women through small and medium enterprises and the cottage industry.

Mr Akhtar suggested that women entrepreneurs need their companies formalised, and that the government was empowering Smeda to help women CCIs streamline their businesses.

There is a need to develop connectivity to enhance their business outreach, and Smeda will help develop this skill as well.

He acknowledged that the banking sector was reluctant to lend to small and new industries.

"The PM has given directives to the State Bank to set targets for the banks for giving loans to women entrepreneurs," he said, adding that at the same time, we are encouraging girls to ride e-bikes, which will empower them to play a more productive role in society.

The key issues highlighted by the women business leaders were a male-dominated mindset, insufficient financing, and a lack of official support for women to establish and operate small industries and businesses.

They also stressed the proper implementation of the 'Women Entrepreneurship Development Policy and Action Plan & Key Initiatives'.

FPCCI President Atif Ikram Sheikh stated that women are not just participants in the economy; they are key drivers of innovation and sustainable development.

He emphasised that Pakistan cannot progress by leaving half of its population behind.

The country's economic future and sustainable development rely on the active participation of women. Women-led businesses are transforming industries, and despite challenges, women entrepreneurs are breaking barriers, creating jobs and developing brands, he remarked.

Smeda Chief Executive Nadia Seth stated that the government is committed to economically empowering women through SMEs and highlighted several programmes to develop women's skills to become self-employed.

HAROON Akhtar Khan highlights Pakistan's potential to compete with China by supporting women in business through improved connectivity and formalisation at the International Women's Entrepreneurship Day ceremony.—PID

Big industry output expands 2.7pc in September

By Mubarak Zeb Khan

ISLAMABAD: The Large-Scale Manufacturing (LSM) sector grew 2.69 per cent year-on-year in September, indicating a possible recovery in the country's industrial production.

The slight rebound from the previous month's sluggish growth offers a glimmer of hope amid ongoing economic challenges, according to figures released by the Pakistan Bureau of Statistics (PBS) on Wednesday.

On a month-on-month basis, the LSM recorded a growth of 2.05pc in September, indicating a modest recovery. The improvement suggests that the adverse impact of recent flooding on industrial activity has largely subsided, allowing for a gradual stabilisation in production across key sectors.

In July, the first month of FY26, a robust growth of 8.99pc was recorded, which decreased to a mere 0.54pc in August due to floods.

The LSM posted a 4.08pc year-on-year increase during the July-September quarter, mainly due to strong performance in the automobile and cement sectors.

In FY25, the LSM recorded a negative growth of 0.74pc compared to the preceding year. LSM, which contributes nearly 8pc to GDP, contracted falling far short of the growth target of 3.5pc for FY25.

In FY24, the LSM sector contracted by 0.03pc, compared with 0.92pc growth in the preceding year.

The food group production rose 6.94pc in July-September FY26. Wheat and rice milling rose by 9.30pc, and starch and its products by 0.64pc, respectively. Wheat and rice milling increased substantially during the period under review, primarily due to improved crop yields.

However, cooking oil production increased by 8.54pc, while vege-table ghee production fell by 0.06pc. However, tea blended declined by 5.35pc.

The overall textile sector posted a paltry growth of 1.88pc in 1QFY26. Cotton yarn increased by 2.62pc and cotton cloth by 0.28pc, accounting for more than 80pc of the textile sector. The primary cause of flat production was a slight decline in export unit value in the face of higher lower demand for textiles.

Garment exports grew by 2.43pc in 1QFY26. However, the garment sector recorded negative year-on-year growth of 2.18pc in September. This will be a serious issue for the value-added sector, which has posted negative growth for the past two consecutive months.

Coke and petroleum products dipped 3.35pc in 1QFY26. Petrol production declined by 3.52pc, jet fuel oil by 5.23pc, and furnace oil by 21.62pc, respectively.

However, production of high-speed diesel rose by 10.83pc, followed by kerosene by 11.17pc, LPG by 8.20pc and lubricating oil by 46.50pc.

The automobile sector grew 84.58pc in 1QFY26. This growth was mainly contributed 86.19pc increase in jeeps and cars production, followed by LCVs 6.36pc, trucks 139pc, and buses 21.43pc. The production of diesel engines up by 3.23pc in 1QFY26.

The production of pharmaceutical products dipped 4.81pc. However, fertilisers posted a paltry 0.97pc growth.

Iron and steel production declined 3.52pc in 1QFY26. Billets/ingots, mostly used in the construction industry, declined 10.20pc. Similarly, H/CR sheets/strips/coils/plates dipped by 0.75pc.

The production of rubber products surged by 14.10pc, non-metallic minerals by 13.86pc and electrical equipment 4pc.

THE QUARTERLY automobile production surged 84.58pc, driven by a demand boost for jeeps, cars and light commercial vehicles, during 1QFY26.—Dawn/file

Profit repatriation jumps 39pc in four months

China receives highest share at $372m, followed by UK at $258m

By Shahid Iqbal

KARACHI: Repatriation of profits and dividends on foreign investments during the first four months of the current fiscal year (FY26) rose by 39 per cent compared to the same period last year.

The State Bank's latest data, issued on Wednesday, showed that outflows during July-October FY26 reached $1,137 million, up from $818m last year, an increase of $319m or 39pc.

The outflow in October this year alone was notably high, accounting for 34pc of the four-month total. October's repatriation stood at $386m, with China ($167m) and the UK ($96m) receiving the largest shares.

Foreign investment inflows, however, remained weak. FDI fell by 26pc during the first four months of FY26. Due to a severe dollar shortage, the government had kept profit repatriation restricted in FY24, easing it gradually in FY25. The new fiscal year appears more open to foreign investors as profit outflows have continued to rise.

China emerged as the largest recipient during the period, receiving $372m, sharply higher than the $84m it received in the same period last year.

Both the UK and the US received lower profits this year compared to last year, though the former still ranked second with $258m (against $292m in FY25). The US received $77m, down from $129m last year. The Netherlands and the UAE received $114m ($21m last year) and $95m ($62m last year), respectively.

Sector-wise data showed the power sector accounting for the highest outflows at $342m during July-October FY26, compared to $128m during the same period last year. Profits repatriated from the finance (banking) and insurance sector amounted to $229m, up from $95m last year.

The manufacturing sector received $217m in the four-month period, compared to $306m last year, while wholesale and retail repatriated $140m against $133m last year.

The SBP data indicated that easing restrictions on profit and dividend outflows benefited only a few countries, with China at the top. However, it was notable that despite the State Bank's tight controls on dollar outflows in FY25, the UK and the US received higher profits that year than in the current fiscal year.

Analysts said that despite higher profit outflows, FDI has not picked up, reflecting the government's inability to strengthen foreign investor confidence. They said that the increased outflows did not reduce the State Bank's foreign exchange reserves or destabilise the exchange rate.

Aramco signs $30bn deals with US firms

DUBAI: Oil giant Saudi Aramco said on Wednesday it had signed 17 preliminary deals with US companies with a potential overall value of more than $30 billion, during a visit to Washington by the Saudi Crown Prince.

The projects span liquefied natural gas, financial services, advanced materials manufacturing and procurement of materials and services, it said in a statement.

Saudi and US officials touted billions in new investments and growing financial ties between the two countries on Wednesday, coinciding with a visit to the White House by Saudi Arabia's de-facto leader Crown Prince Mohammed bin Salman.

"We expect the multi-billion-dollar MoUs and agreements announced today to act as a springboard for further progress," and to strengthen Aramco's collaboration with American firms, Aramco's CEO Amin Nasser said in the statement.

Aramco said that the MoUs and agreements include a tie-up with MidOcean Energy for a potential investment in the Lake Charles LNG project as well as a deal with Commonwealth LNG around a liquefaction project in Louisiana.—Reuters

Shield announces delisting

KARACHI: Shield Corporation Ltd, a local manufacturer of hygiene and baby care products, has announced its decision to delist from the Pakistan Stock Exchange (PSX).

In a statement filed with the stock exchange on Wednesday, the company indicated that it would submit a formal delisting application. The sponsors of Shield Corporation have been authorised to buy back ordinary shares held by minority shareholders. The extent and price of the buyback will be determined in accordance with regulations set by the PSX or the Securities Exchange Commission of Pakistan for the voluntary delisting.—Staff Reporter

US DOLLAR	BUYING Rs281.32 SELLING Rs281.70	EURO	BUYING Rs325.00 SELLING Rs328.08
GBP	BUYING Rs368.60 SELLING Rs371.97	UAE DIRHAM	BUYING Rs76.64 SELLING Rs77.40
KSA RIYAL	BUYING Rs74.90 SELLING Rs75.51	GOLD	TOLA Rs431,562 10 GMS Rs369,994

Bulls return with 1,291-point rally

Bloomberg says retail investors helping extend PSX surge in 2025

By Muhammad Kashif

KARACHI: Despite persistent volatility, the Pakistan Stock Exchange (PSX) on Wednesday witnessed a return of bulls as mid-session value-hunting helped the benchmark KSE 100 index to return to green territory after suffering losses in the last two sessions amid a dearth of any positive triggers.

According to Topline Securities Ltd, the index concluded the session on a decidedly positive trajectory, closing at 162,226.28 points, reflecting a gain of 1,291.07 points. The benchmark traded between a high of 162,741 and a low of 161,279, supported in part by Fauji Fertiliser increased influence following its recent addition to the KMI-30 index effective Monday (Nov 24).

Ali Najib, Deputy Head of Trading at Arif Habib Ltd, said that as the index regained momentum above the 162,000 mark, investors were now watching whether this emerging strength could sustain and push the market back toward the upper band of its broader consolidation range of 160,000-170,000. "However, the 164,000-165,000 level can likely prove a resistance to achieve it," he remarked.

Despite a bullish close, the trading volume plunged 33.38pc to 1.028 billion shares. However, the traded value rose 16.27pc to Rs45bn. WorldCall Telecom led the volume chart with 160.1 million shares.

According to a *Bloomberg* report, retail investors are contributing to the surge in the PSX, signalling a rare moment of confidence in local shares after years of volatility and political uncertainty. The KSE-100 index has risen by approximately 40pc in 2025, making it one of the best-performing markets in Asia. This increase is driven by government stability and promising returns, which are generating enthusiasm among a typically risk-averse population. As property prices stagnate and deposit rates have halved over the past two years, individual traders are increasingly turning to equities as an alternative investment option.

"We're now seeing a liquidity-led rally," said Mohammed Sohail, Chief Executive Officer at Topline Securities Ltd. "Unless that liquidity finds a new avenue, the markets will likely stay strong," he said.

Nearly 36,000 new trading accounts were opened in the September quarter, compared to 23,600 new registrations just three months back, according to Topline Securities. Trading activity has also increased, with daily turnover topping $200 million in October, the highest since 2017, data compiled by *Bloomberg* shows.

PAKISTAN STOCK EXCHANGE

THE TOP FIVERS

GAINERS		LOSERS		LEADERS*	
Unilever Foods	249.97	PIA Holding CoB	781.95	WorldCall Telecom	160.11
Supernet Techno	95.54	Rafhan Maize	71.65	Bank Makramah	111.69
Shahmurad Sugar	44.28	Pakistan Services	68.08	Beco Steel Ltd	78.67
Shield Corporation	37.09	Ismail Industries	57.08	K-Electric	69.90
Service Industries	35.97	Blessed Textiles	29.54	PIBT	55.12

(Share values in rupees) * Volume in millions of traded shares

INDICATORS	Wednesday	Previous	Change
KSE 100-SHARE INDEX (Points)	162,226.28	160,935.13	▲ 1,291.07
KSE 30-SHARE INDEX (Points)	49,228.54	48,680.99	▲ 547.55
MARKET CAPITAL (Rs billion)	18,483.143	18,376.322	▲ 106.821
TRADING VALUE (Rs billion)	45.177	38.855	▲ 6.322

ACTIVITY	
Total listed	532
Active	484
Gainers	194
Losers	244

PARTICIPANTS	
Foreign	▼$1.54m
Companies	▲$0.30m
Banks	▼$0.23m
Mutual Funds	▼$2.31m
Individuals	▲$2.41m